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SUBJECT: UN: OIOS ISSUES REPORT ON THE COMPREHENSIVE
MANAGEMENT AUDIT OF THE DEPARTMENT OF PEACEKEEPING
OPERATIONS

¶1. Summary. Pursuant to General Assembly resolution 59/296 in which the Assembly requested the Office of Internal Oversight Services (OIOS) to conduct a comprehensive management audit of the Department of Peacekeeping Operations (DPKO), OIOS issued a summary report (A/60/717) of its seven separate audit reports of the department. The audit covered the areas of procurement, financial management and budgeting, human resources management, information and communication technology, mission planning, substantive operations, and best practices. In general, the OIOS concluded that while efforts have been made to improve the management of peacekeeping operations in recent years, the changes have been outpaced by the challenges the UN faces in its field operations. DPKO needs to strengthen its internal controls and enforce accountability. It also needs to bolster the standards of ethical behavior to reverse the current prevailing culture of impunity in the department. OIOS highlighted a number of actions that could be taken to strengthen the management of peacekeeping, including: reorganization of the budget process to reduce duplication; adequate monitoring by headquarters of recruitment authority delegated to the field; strengthened mission planning and strategic guidance; improved coordination between DPKO and other relevant UN actors; greater implementation of best practices and lessons learned. OIOS made a total of 158 recommendations, of which 105 were considered to be critical.

The Department of Management (DM), Department of Safety and Security (DSS) and DPKO accepted 133 of the recommendations, most of which were being implemented. The Fifth Committee is expected to consider and to take note of the report during its second resumed session this spring. A summary of key findings is outlined below. End summary.

Procurement

¶2. OIOS highlighted the lack of adequate internal controls and enforcement of existing controls as a an underlying cause of an environment ripe for fraud and abuse in procurement. OIOS found substantial evidence that senior management was negligent in applying existing controls and in calling for greater controls where necessary. This resulted in, among other things, a pattern of violations of the Financial Rules and Regulations of the UN.

¶3. In many cases, OIOS found that budgeting for mission requirements was not based on realistic assumptions and, as a result, in some cases there were significant financial losses to the UN. A handful of case studies were highlighted, pointing to overestimation of commodity requirements in two missions, at a cost of \$53 million and \$31 million respectively. OIOS also determined that greater efforts should be made to rationalize the holdings of spare parts, and that the use of air transport for contingents and equipment (which is seven times the cost of sea transport) should only be used when no other means of timely transport

is available.

¶ 14. Among other things, the audit highlighted the general lack of basic procurement concepts by some field-based procurement staff, and OIOS noted that due to incomplete records management, the auditors were unable to determine whether staff had the prerequisite qualifications prior to being hired. OIOS pointed to the imbalance between the number of procurement staff at headquarters and in the field vis-a-vis the percentage of procurement activities for which they were responsible. While headquarters is responsible for handling more than half of all procurement, the number of procurement staff at Headquarters is only a fraction of the total procurement staff employed in the field.

Financial management and budgeting

¶ 15. OIOS' review of the budget process found that it was lengthy, cumbersome, and with field missions, DPKO and DM each reviewing peacekeeping budgets, it was often duplicative. As a result, there was little flexibility within the current budget process to provide a flexible approach in response to changing mandates. OIOS also found that there was a general disconnect between the cost centers to which funds were allocated and managers who were delegated authority to implement the budget. As a result, there was little practical accountability for budget management and implementation. OIOS further found a general disconnect between strategic mission planning and the use of the results-based-budgeting framework.

Human Resources Management

¶ 16. Although the GA has in recent years reiterated the central authority of the Office of Human Resources Management (OHRM) in the monitoring and approval of the recruitment and placement of staff, OIOS found that the delegation of authority to DPKO for recruitment of mission personnel had resulted in OHRM relinquishing authority for its oversight function. In addition, rather than recruiting from missions -- which are closest to the work required to be performed -- recruitment by DPKO has been conducted largely from headquarters. This practice runs contrary to the intent of delegation of authority, which was to provide greater opportunity for missions to recruit the necessary personnel for operations. As such, OIOS believes that a review of the delegation of authority should be reviewed to assess whether the delegation should remain with DPKO.

¶ 17. Concerning recruitment and placement, OIOS noted that despite an average vacancy rate of 23 per cent in field missions (as at 31 May 2005), no mechanism was in place to address the problem of vacancies and to reduce the overall level. OIOS also found that the recruitment process suffered from a general lack of transparency and pointed to a number of cases in which recommended candidates were appointed without a vacancy announcement process. Such lack of competition meant that there was no assurance that the best candidates were selected. OIOS further pointed to the need for increased training and staff development of personnel.

Information and communication technology

¶ 18. OIOS' audit of the ICT function in DPKO concluded that its present placement -- as a subset of the Office of Mission Support -- was an impediment to its role in advocating the ICT agenda at the highest level. Furthermore, without a more central organizational placement within DPKO, the Communications and Information Technology Service (CITS)

could not effectively ensure the unification of effort and effectively delivery of service throughout DPKO.

¶9. OIOS found that although there was a draft information management strategy within DPKO (due to be finalized by June 2006), it did not specify specific and measurable outcomes, responsible parties, and indicators of achievement. OIOS also commented on the proliferation of information systems and their general lack of integration. There are at least 5 different systems used by DPKO, none of which are linked by common interfaces and/or databases. There was also no function within CITS to provide for IT security or backup in the event of disruption to the system. Finally, OIOS commented that the maintenance IT assets in missions should be more rigorously managed to ensure that new IT assets were utilized upon their procurement and not left unused.

Mission planning

¶10. OIOS noted that although DPKO had developed a mission planning process handbook, there was minimal consultation with key UN partners in its preparation and, in general, DPKO leadership appeared to be reluctant to consult and/or collaborate with key partners on an integrated approach to peacekeeping. Both OIOS and DPKO acknowledged that the absence of dedicated mission planning cells and involvement of senior leadership at the planning stage had a negative effect on the overall ability of the department to develop coherent strategies for mandate implementation, resource identification and budget formulation.

Substantive operations

¶11. OIOS' audit covered the substantive areas of electoral assistance; disarmament, demobilization and reintegration (DDR); demining operations; and human rights, the rule of law and protection of civilians. In electoral assistance, OIOS found that greater collaboration with and directive from the Department of Political Affairs' Electoral Assistance Division was required, as were greater security measures for electoral assistance personnel in the field. With respect to DDR, OIOS concluded that under the current staffing complement there is limited capacity for DPKO to effectively monitor the implementation of DDR activities in missions.

¶12. OIOS found that DPKO had not made any provisions with troop contributing countries (TCCs) to ensure that contingents charged with demining were doing so in compliance

with the International Mine Action Standards, and that efforts should be made to formalize this arrangement in memoranda of understanding with TCCs. Finally, OIOS concluded that oversight and accountability for human rights and rule of law programs was generally weak and substantive guidance from headquarters on these issues was lacking.

Best practices

¶13. OIOS concluded from its review that best practices were not regularly categorized and disseminated based on lessons learned, and that more effort was required to ensure that positive and negative lessons learned are comprehensively shared with field missions so that they may benefit in a timely manner. OIOS also highlighted overlap in the area of knowledge management between the Best Practices Section and DPKO's office of Change Management, and recommended that their respective roles be clarified.